



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

May 14, 2002

H.R. 4466

National Transportation Safety Board Reauthorization Act of 2002

*As ordered reported by the House Committee on Transportation and Infrastructure on
April 24, 2002*

SUMMARY

The National Transportation Safety Board (NTSB) investigates every civil aviation accident and significant accidents in other modes of transportation. In addition to its investigations, NTSB provides assistance to the families of passengers involved in an aviation accident. H.R. 4466 would require the NTSB to offer the same services to the families of passengers involved in a significant rail accident. Over the 2003-2005 period, H.R. 4466 would authorize the appropriation of about \$248 million for NTSB activities and about \$13 million for the NTSB training academy. H.R. 4466 would also authorize the appropriation of amounts necessary to maintain an emergency fund of \$6 million at all times.

CBO estimates that implementing H.R. 4466 would cost \$261 million over the 2003-2006 period. H.R. 4466 would not affect direct spending or receipts; therefore, pay-as-you-go procedures would not apply.

H.R. 4466 would prohibit states from blocking the National Transportation Safety Board or agencies designated to provide counseling services from providing support to families of the victims of passenger rail accidents. The bill also would limit the liability of passenger rail carriers when they provide certain information regarding passenger lists and reservations. These prohibitions would be mandates under the Unfunded Mandates Reform Act (UMRA). While they would limit state authority, the prohibitions would impose no duty on states that would result in additional spending. Consequently, the cost of complying with those intergovernmental mandates would not exceed the threshold established in UMRA (\$56 million in 2002, adjusted annually for inflation).

The bill also would impose private-sector mandates, but CBO estimates that the direct costs of those mandates would not exceed the annual threshold established in UMRA (\$115 million in 2002, adjusted annually for inflation) in any of the next five years.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of H.R. 4466 is shown in the following table. The costs of this legislation fall within budget function 400 (transportation).

	By Fiscal Year, in Millions of Dollars					
	2002	2003	2004	2005	2006	2007
SPENDING SUBJECT TO APPROPRIATION						
NTSB Spending Under Current Law						
Budget Authority ^a	69	0	0	0	0	0
Estimated Outlays	69	8	0	0	0	0
Proposed Changes						
Estimated Authorization Level	0	80	90	95	0	0
Estimated Outlays	0	69	89	94	9	0
NTSB Spending Under H.R. 4466						
Estimated Authorization Level ^a	69	80	90	95	0	0
Estimated Outlays	69	77	89	94	9	0

a. The 2002 level is the amount appropriated for that year for NTSB activities.

BASIS OF ESTIMATE

For this estimate, CBO assumes that H.R. 4466 will be enacted in fiscal year 2002 and that the authorized amounts will be appropriated for each year. Estimates of spending are based on information from NTSB and historical spending patterns of similar programs.

The NTSB emergency fund currently has a balance of \$2 million in budget authority. CBO estimates that H.R. 4466 would authorize the appropriation of an additional \$4 million to increase the fund to a total of \$6 million in budget authority.

NTSB has not spent from the emergency fund over the past five years, and CBO does not estimate any outlays from the fund over the 2002-2007 period. For this reason, CBO estimates that implementing H.R. 4466 would increase budget authority by \$4 million more than it would increase outlays over this period. Consequently, we estimate that the emergency fund would not require any additional appropriations to maintain the fund at \$6 million over the 2003-2007 period.

PAY-AS-YOU-GO CONSIDERATIONS: None.

ESTIMATED IMPACT ON STATE, LOCAL, AND TRIBAL GOVERNMENTS

H.R. 4466 would prohibit states from blocking the National Transportation Safety Board or agencies designated to provide counseling services from providing support to families of the victims of passenger rail accidents. The bill also would limit the liability of passenger rail carriers when they provide certain information regarding passenger lists and reservations. These prohibitions would be mandates under UMRA. While they would limit state authority, the prohibitions would impose no duty on states that would result in additional spending. Consequently, the cost of complying with those intergovernmental mandates would not exceed the threshold established in UMRA (\$56 million in 2002, adjusted annually for inflation).

ESTIMATED IMPACT ON THE PRIVATE SECTOR

H.R. 4466 would impose three new federal mandates on the private sector. First, the bill would prohibit any person from hindering the ability of the National Transportation Safety Board and the nonprofit organization designated by the NTSB to carry out their responsibilities under the bill or from hindering the ability of families of passengers to contact one another. Second, attorneys or other potential parties would be prohibited for a 45-day period from making unsolicited contact concerning potential legal action with injured passengers or family members. Information provided by the legal community indicates that state bar associations have a variety of regulations governing the action of attorneys after such disasters, but most do not prohibit such contact for a period as long as 45 days. CBO estimates that the private sector's cost of compliance with these prohibitions would be small.

The third mandate would require passenger rail carriers to submit a plan detailing assurances and procedures to be invoked in case of a railway accident involving a major loss of life. Such a plan would have to be submitted to the National Safety Transportation Board and to the Secretary of Transportation no later than six months after the enactment of the bill. According to industry experts, Amtrak is the only current passenger rail carrier that would be affected by the provisions in the bill. Currently, Amtrak has contingency plans for responding to the needs of families of rail accident passengers. According to Amtrak, the additional cost of any further modifications to incorporate the provisions in the bill and the cost of submitting the plan to the NTSB would be small. There also could be direct savings to Amtrak, as the bill limits the passenger rail carrier's liability arising from its preparing or providing a passenger list required by the bill.

CBO estimates that the total direct costs for private-sector mandates in this bill would fall well below the threshold (\$115 million in 2002, adjusted annually for inflation) established in UMRA.

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